NEW AMERICA

May 10, 2019

Council for Higher Education Accreditation
One Dupont Circle NW, Suite 510
Washington, DC 20036

Re: Public Comment Request on Accrediting Council for Independent Colleges and Schools (ACICS)

To Whom It May Concern:

Thank you for the opportunity to submit comments regarding CHEA's recognition of the Accrediting Council for Independent Colleges and Schools (ACICS). I am submitting these comments to urge CHEA to seriously consider the actions (and inactions) of ACICS throughout its recent periods of recognition by CHEA, and to deny ACICS' application for recognition on the basis of its continued failure to demonstrate it meets CHEA standards.

ACICS has consistently failed to meet CHEA standards around public accountability for performance.

For students, perhaps the most important of CHEA's standards is that recognized accreditors prevent the accreditation of poor-quality and underperforming institutions. On this metric, ACICS has consistently fallen far short.

Pursuant to Standard 11.A., CHEA-recognized accreditors must both "implement and enforce their standards, policies, or procedures…. for the accrediting organization to take timely action to prevent substantially underperforming institutions... from achieving or maintaining accredited status." ACICS has repeatedly failed to take timely actions with respect to underperforming institutions, to the significant detriment of students and taxpayers. In the rare event ACICS has taken action, it cannot be considered timely, as CHEA standards require; instead, it has typically been at the prompting of other regulatory bodies, including state regulators and the Education Department.

Perhaps the most disturbing recent example of ACICS' failure to enforce its standards to take timely actions against underperforming institutions comes with Education Corporation of America (ECA). ECA--the largest chain within ACICS' accredited purview--closed precipitously in December 2018. However, there were warning signs ACICS should have seen and responded to much sooner -- years earlier, in some cases. The U.S. Department of Education required the institution to post a letter of credit totaling more than $27 million in light ECA's failing financial situation for at least academic years 2015 and 2016.[1] Only months before the college closed, another Education Department-recognized accreditor, the Accrediting Council for Continuing Education and Training (ACCET) denied accreditation to the institution on the basis of its failure to meet nearly twenty separate standards, including those related to the academic quality, instructor qualifications, governance, and student achievement. The denial was detailed in a letter shared directly with ACICS,[2] and the agency subsequently placed ECA on show cause on the basis of the other accrediting agency's adverse action.[3]

ECA is, unfortunately, not the only example of ACICS' failure to take serious and timely action as warranted and as required by CHEA's standards. Other examples include the notorious collapses of Corinthian Colleges and ITT Tech;[4] the belated actions taken against the American College of Commerce and Technology following intervention by Virginia's higher education authorizing body;[5] and the continued accreditation of Virginia International University, another institution in which Virginia's state authorizers intervened just months after ACICS renewed the institution's grant of accreditation for multiple years.[6] Whether the institution is large or small, ACICS seems incapable of taking action until other regulatory authorities step in first -- an obvious, continued, and unrepentant failure to meet CHEA's standards requiring timely action to prevent underperforming and poor-quality institutions from receiving accreditation.

A systematic review of ACICS-recognized institutions also reveals a startling concentration of poor-quality institutions relative to the rest of the postsecondary education system, further suggesting that the agency is failing to meet CHEA's requirement that recognized agencies prevent the accreditation of "substantially underperforming" institutions. An assessment of ACICS' portfolio

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[1] Federal Student Aid Data Center. Financial Responsibility Standards Requiring a Letter of Credit. https://studentaid.ed.gov/sa/about/data-center/school/loc.

[2] Letter from ACCET to Virginia College Senior Vice President, August 31, 2018. http://s3.amazonaws.com/docs.accet.org/downloads/adverse/1539.pdf.

[3] Letter from ACICS to Virginia College Campus President, May 8, 2018. In response to ACCET's May 1, 2018 adverse action against Virginia College. http://www.acics.org/uploadedFiles/Actions/00010582_VirginiaColl_SC_AdverseInformation_Revised(1).pdf.

[4] Ben Miller and Antoinette Flores, "ACICS Should Not Regain Its Ability to Grant Access to Federal Financial Aid," Center for American Progress, March 9, 2018. https://www.americanprogress.org/issues/education-postsecondary/news/2018/03/09/447692/acics-not-regain-ability-grant-access-federal-financial-aid/.

[5] ACICS action against American College of Commerce and Technology taken August 26, 2016. https://ope.ed.gov/dapip/#/institution-profile/236683; and Elizabeth Redden, "Inside the Oversight of a Questionable Institution," *Inside Higher Ed.* May 4, 2018. https://www.insidehighered.com/news/2018/05/04/tale-troubled-accreditor-and-questionable-college.

[6] ACICS letter to Virginia International University President and CEO regarding show-cause directive, March 22, 2019. https://ope.ed.gov/dapip/#/institution-profile/192378; and Elizabeth Redden, "'Rampant Plagiarism' and 'Patently Deficient' Online Education," March 18, 2019. https://www.insidehighered.com/news/2019/03/18/staff-virginia-regulator-recommend-revoking-colleges-certificate-operate-due.

of accredited, Title IV-eligible institutions--which includes many of the institutions that have since fled the agency in search of another accreditor, leaving ACICS with a stronger concentration of institutions with poorer outcomes and larger compliance problems--reveals startlingly poor outcomes for students.[7] Sixty-nine institutions--nearly half--have a cohort default rate in excess of 15 percent, compared with fewer than 40 percent of institutions approved by other national accreditors. Nearly 80 percent--four out of five--ACICS-accredited institutions have typical earnings for former students of less than $30,000, compared with only 25 percent--one in four--of institutions accredited by other national accreditors.[8]

In light of these remarkably poor outcomes for a remarkably large number of ACICS-accredited institutions, it seems clear that ACICS has failed to fulfill its commitment to CHEA that it will enforce procedures to prevent substantially underperforming institutions from receiving accreditation. Indeed, it seems apparent that ACICS has become the last resort for substantially underperforming institutions.

After years of deferrals and extensions and continued recognition of ACICS, it is time for CHEA to enforce its policies for recognition and deny ACICS yet another chance. CHEA claims that its recognition serves as an "authoritative and reliable indicator of the quality of U.S. accrediting organizations."[9] That claim will be difficult to make if it continues to rubber-stamp an agency that, despite its best efforts to argue otherwise, continues to cause harm to students and taxpayers through inadequate and untimely action against failing schools.

Please do not hesitate to reach out with questions regarding these public comments. I can be reached at mccann@newamerica.org.

Sincerely,

Clare McCann
Deputy Director for Federal Policy
New America

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[7] U.S. Department of Education, Accreditor Dashboards prepared for the National Advisory Committee on Institutional Quality and Integrity. May 22-24, 2018 Meetings. https://sites.ed.gov/naciqi/archive-of-meetings/.
[8] Author's calculations.
[9] Annual report of the Council for Higher Education Accreditation's activities and accomplishments in 2017-2018. https://www.chea.org/chea-annual-report-2017-2018.